

vegetables, fish & shrimp processing equipment, mixers & beaters, scales, heat exchange units, evaporators, pasteurizers, glass bottle cleaners and other container washing machines, dairy product packing equipment, bagging machines, corking & capping equipment, vacuum packing equipment, liquids packing equipment and labelers. Other areas that have been identified as potentially good are refrigeration equipment, both stationary and in transportation units, conveyors, cleaning equipment, and food and waste reprocessing equipment, of which there is presently very little. Food waste reprocessing equipment is of particular interest to Mexican importers due to the significant volume of organic waste that is generated every day by food processing plants and supply centers and the high costs of disposing of this waste.

4. END USER SECTORS

The local processed food and beverages industries employ over 180,000 people in several thousand companies, although it is a relatively concentrated industry, with a small number of very large firms controlling the vast majority of sales, and a myriad of small industries. The Mexican food processing sector is dominated to some degree by American and, to a lesser extent, European multinational firms, which all have wholly owned, joint venture or licensed production plants in Mexico. Rather than importing, these companies utilize Mexican raw materials and American or European processing, packaging and marketing technology to manufacture the product in their plants in Mexico for sale in Mexico and in some cases for export to the United States and Europe.

This industry group is one of the least sensitive to general economic conditions, since it satisfies the more basic needs of Mexico's growing population. It has a tendency to grow according to demographic trends and its growth rate usually exceeds that of the economy as a whole. During the 1975-1986 period, it grew 4.3% as compared to a total GDP growth of 3.9%. In 1986, during the economic crisis, it decreased by 0.5%, then remained practically stagnant until 1989, when it grew 7.5% and again by an estimated 14% in 1990.

The following table shows total gross production of the Mexican food processing industry between 1980 and 1987, the last year for which data are available, according to the National Institute for Statistics, Geography and Computers (INEGI):